

Supporting the Government's five cluster funding reform

The Government proposes to renew the discipline base for funding higher education. It plans to replace the current system of eight funding clusters of disciplines with one of five clusters. The IRU supports the Government's changes to the funding tiers which better distribute the available funding than the current dated grouping of disciplines. The proposed clusters:

- weight towards universities teaching more predominantly nursing and education over those with greater load in engineering and sciences;
- hence weight funding back towards those universities less likely to gain most from opening up student charges; and
- encourage universities to move their thinking away from the current funding system towards the potential of the future arrangements.

The table below shows for each discipline:

1. the number of full time equivalent students in 2013;
2. the current funding system as it would be in 2016;
3. the Government's proposed funding for 2016; and
4. the alternative of reducing the current funding rates by 20% for each discipline;
5. the difference between the Government proposal and the alternative.

In the table the system with the higher funding in 2016 for a discipline is bolded.

2016 Funding: different models					
Discipline Bands	1	2	3	4	5
	Full time equivalent students	Current system	New Five Tiers	Current less 20%	Variance
	2013	\$/Student	\$/Student	\$/Student	\$/Student
Law, Business and Economics	104975	\$2,010	\$1,805	\$1,608	\$197
Humanities	15179	\$5,584	\$6,021	\$4,467	\$1,554
Social Studies	51521	\$9,879	\$6,021	\$7,903	-\$1,882
Communications (excluding Audio-Visual)	23578	\$12,149	\$6,021	\$9,719	-\$3,698
Computing, Built Environment, Other Health, Behavioural Science, Welfare Studies	76120	\$9,879	\$9,033	\$7,903	\$1,130
Education	47135	\$10,278	\$9,033	\$8,222	\$811
Visual And Performing Arts	30462	\$12,149	\$9,033	\$9,719	-\$686
Mathematics	18826	\$9,879	\$12,045	\$7,903	\$4,142
Clinical Psychology; allied health, Foreign Languages	26588	\$12,149	\$12,045	\$9,719	\$2,326
Nursing	30551	\$13,564	\$12,045	\$10,851	\$1,194
Engineering, Science, Surveying	95681	\$17,272	\$12,045	\$13,818	-\$1,773
Environmental Studies	4321	\$21,920	\$12,045	\$17,536	-\$5,491
Dentistry, Medicine, Veterinary Science, Agriculture	22405	\$21,920	\$18,067	\$17,536	\$531

Estimate of current system in 2016 from Universities Australia

Estimate of 2013 load by IRU based on *Students 2013*

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